

## Message Text

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PAGE 01 PORT M 01293 310636Z

22 10

ACTION EB-07

INFO OCT-01 AF-06 ARA-06 EUR-12 EA-07 ISO-00 AID-05

CIAE-00 COME-00 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00

XMB-02 OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01

GSA-01 OIC-02 INT-05 /082 W  
----- 069754

R 302235Z DEC 75

FM AMEMBASSY PORT MORESBY

TO SECSTATE WASHDC 1118

INFO AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY JAKARTA

AMEMBASSY KINSHASA

AMEMBASSY LIMA

AMCONSUL LUBUMBASHI

AMEMBASSY LUSAKA

AMEMBASSY LONDON

AMEMBASSY MANILA

AMEMBASSY PARIS

AMEMBASSY SANTIAGO

AMEMBASSY TOKYO

LIMITED OFFICIAL USE PORT MORESBY 1293

E.O. 11652: NA

TAGS: EIND, EMIN, ETRD, PP

SUBJECT: POSSIBLE CIPEC INITIATIVE ON PRODUCER/CONSUMER  
DIALOGUE FOR COPPER

REF: A. STATE 287245, B. STATE 264613

1. EMBOFFS DISCUSSED CONTENTS REFTELS WITH DFRT OFFICIALS  
ELLIOTT ELIJAH, ACTING SECRETARY, AND ROBIN CHOW, DELEGATE TO  
RECENT LIMA MEETING, AND NIGEL AGONIA, DIRECTOR OF DEPARTMENT  
OF MINERALS AND ENERGY.

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PAGE 02 PORT M 01293 310636Z

2. IN FIRST MEETING HELD WITH AGONIA, WE EXPLAINED U.S. POSITION AND INQUIRED RE PNG ATTITUDE TOWARD DIALOGUE. AGONIA STATED THAT CIPEC DID NOT WISH TO EMULATE OPEC IN TERMS OF "CONFRONTATION," BUT PREFERRED AMICABLE DIALOGUE WHEREBY BOTH PRODUCERS AND CONSUMERS WOULD BENEFIT. HE ADDED THAT PNG WOULD BE INTERESTED IN POSSIBILITY OF ESTABLISHING BUFFER STOCK SYSTEM AND SUGGESTED THAT PRICE OF U.S. 60 TO 80 CENTS A POUND WEIGHTED TOWARD UPPER END OF SCALE MIGHT BE APPROPRIATE. AGONIA SAID HE BELIEVED OTHER CIPEC MEMBERS WISHED TO STABILIZE PRICES WHILE AVOIDING CYCLICAL SWINGS IF POSSIBLE. HE WAS OPTIMISTIC THAT PARIS CIEC DISCUSSIONS WOULD BE BENEFICIAL STEP.

3. ALTHOUGH ELIJAH WAS NOT FULLY ABREST OF EVENTS, CHOW KNOWLEDGEABLY PRESENTED GPNG POSITION. HE SAID PNG WOULD FAVOR DIALOGUE BETWEEN PRODUCERS AND CONSUMERS, BUT REMINDED US THAT PNG WAS AN ASSOCIATE MEMBER AND DID NOT HAVE A VOTE IN CIPEC. HE NOTED THAT INDONESIA WHICH PRODUCES ONE-THIRD AMOUNT OF COPPER PRODUCED HERE DID HAVE A VOTE. IN RESPONSE TO OUR QUESTION REGARDING EQUITABLE PRICE FOR COPPER, HE MENTIONED U.S. 60 TO 70 CENT RANGE, BUT HEDGED BY SAYING CIPEC ECONOMISTS HAD DIFFERENT THEORIES AND IDEAS OF COPPER'S BOOM/ BUST CYCLE AND JUST WHAT WAS A FAIR PRICE.

4. OUR IMPRESSION IS THAT GPNG WOULD LIKE TO AVOID CONFRONTATION TACTICS. THIS IS BASICALLY UNNATURAL APPROACH FOR PAPUA NEW GUINEANS WHO PREFER TO SEEK CONSENSUS. PNG OFFICIALS, HOWEVER, DO NOT BELIEVE THAT THEIRS WILL BE A DECISIVE VOICE IN UPCOMING NEGOTIATIONS ALTHOUGH THEY APPEAR AWARE THAT RESTRUCTURING OF MARKET WOULD BE BENEFICIAL TO PNG.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COPPER, MINISTERIAL MEETINGS, COMMITTEE MEETINGS, EXPORTERS, IMPORTERS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 DEC 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975PORTM01293  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750451-0032  
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**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1975/newtext/t1975124/aaaaadjje.tel  
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**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 STATE 287245, 76 STATE 264613  
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**Review Authority:** MorefiRH  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** POSSIBLE CIPEC INITIATIVE ON PRODUCER/CONSUMER DIALOGUE FOR COPPER  
**TAGS:** EIND, EMIN, ETRD, PP, US, CIPEC  
**To:** STATE  
**Type:** TE  
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